

2018 ECONOMIC IMPACT

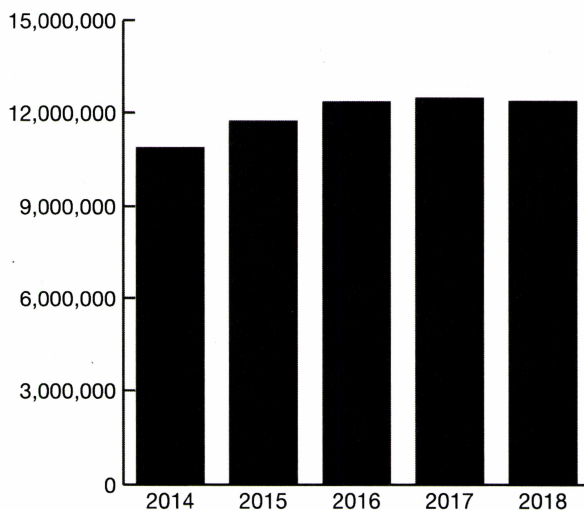
Tourism is one of Montana's leading industries. Non-resident visitors add money to the state's economy, supporting jobs and reducing state and local taxes for Montana residents. The Montana Office of Tourism and Business Development (MOTBD) at the Department of Commerce markets Montana to maximize non-resident spending.

ECONOMIC IMPACT PROFILE (VS. 2017)*

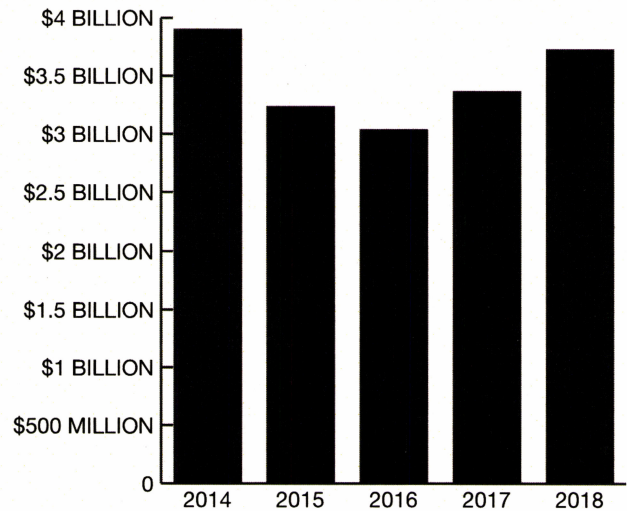
Non-resident Visitation: 12.4 Million (-0.8%)
Non-resident Spending: \$3.7 Billion (+10.7%)
Jobs Supported: 59,330 (+11.2%)
Salaries: \$1.5 Billion (+11.7%)
State & Local Taxes: \$230 Million (+12.5%)



NON-RESIDENT VISITATION, 2014-18



NON-RESIDENT SPENDING, 2014-18*



2018 Spending by Category

| | |
|------------------------------|---------------|
| Gasoline, Diesel | \$839,690,000 |
| Restaurant, Bar | \$668,150,000 |
| Hotel, Motel | \$449,710,000 |
| Outfitter, Guide..... | \$410,110,000 |
| Retail Sales | \$344,570,000 |
| Groceries, Snacks | \$275,380,000 |
| Licenses, Entrance Fees..... | \$252,130,000 |
| Auto Rental | \$147,730,000 |
| Rental Home, Cabin | \$115,490,000 |
| Made in Montana | \$94,310,000 |
| Campground, RV Park..... | \$45,210,000 |
| Vehicle Repairs..... | \$36,330,000 |
| Misc. Services..... | \$24,550,000 |
| Gambling | \$14,060,000 |
| Farmers Market..... | \$6,450,000 |
| Transportation Fares..... | \$690,000 |

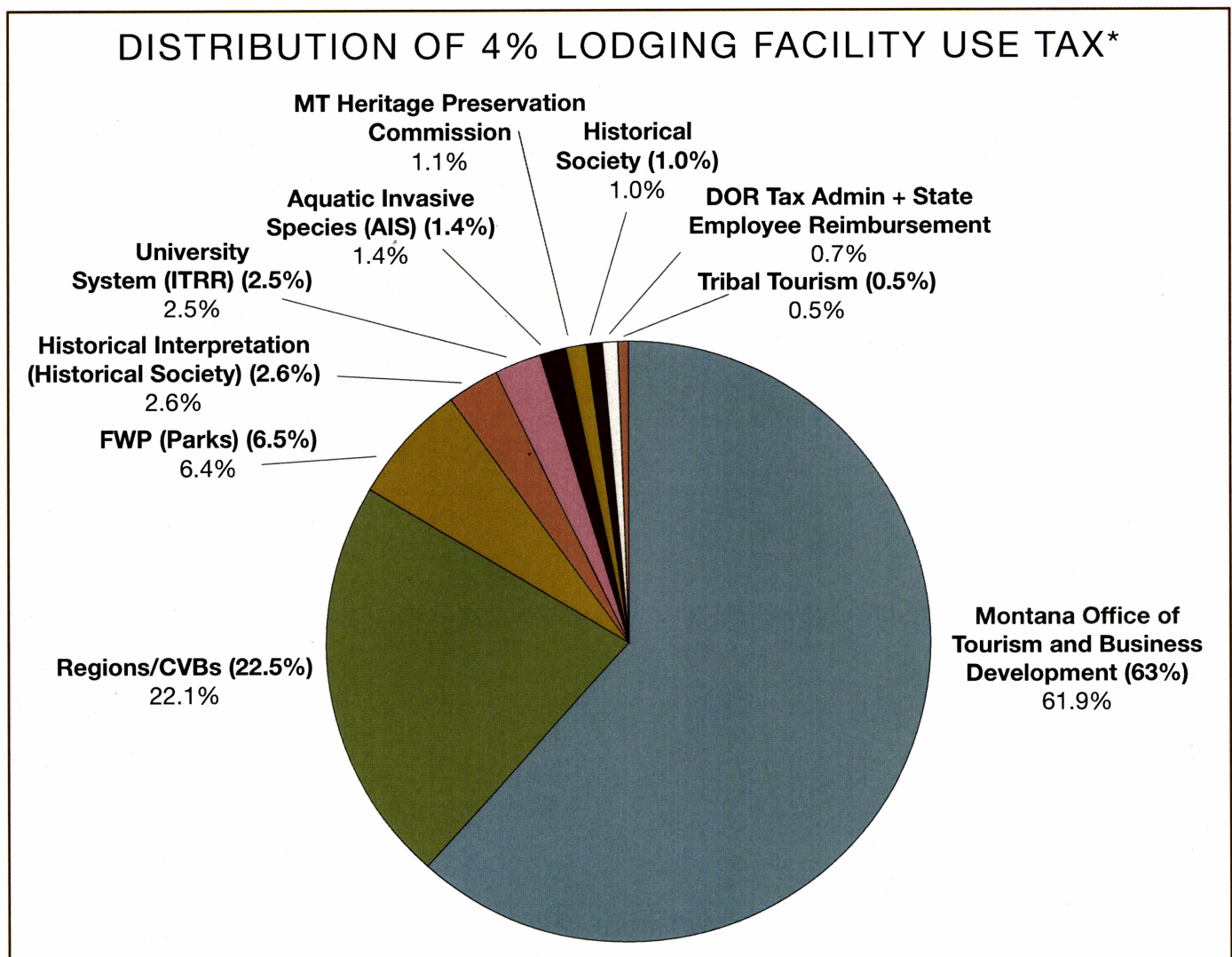
Total \$3,724,550,000

MONTANA PROMOTION FUNDING

The State of Montana levies two different taxes on accommodations that total 8%; the 4% Lodging Facility Use Tax and the 4% Lodging Facility Sales Tax. These taxes are collected from guests of hotels, motels, bed and breakfasts, guest ranches, resorts, and campgrounds.

The 4% Lodging Facility Use Tax, commonly known as the “Bed Tax”, funds tourism related activities. Enacted by the 1987 Legislature, these funds are divided according to the chart below.

No additional funds come from Montana’s General Fund. In fact, tourism helps to support the General Fund due to the additional 75% of the 4% Lodging Facility Sales Tax being directed to the General Fund. An additional 25% of this tax is directed to the construction of the Montana Heritage Center and historic preservation grants.



* In the chart above, the percentage in parentheses represents the percentage indicated in statute from MCA 15-65-121. The percentage not in parentheses indicates the effective rate after the costs related to \$400,000 to the Montana Heritage Commission, Department of Revenue administrative costs and state employee reimbursement is taken off of the top before the percentages in MCA 15-65-121 are applied. The total collection amount comes from the Legislative Fiscal Division projections for the 2019 Legislative Session.